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# NEWSLETTER

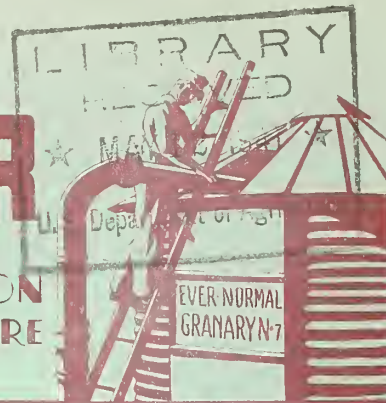
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THE FEDERAL CROP INSURANCE CORPORATION  
UNITED STATES DEPARTMENT OF AGRICULTURE

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WASHINGTON, D.C.

Number 29



## ILLINOIS FARMERS GET FIRST 1941 INDEMNITIES

### OREGON TRAINING SCHOOL SESSIONS BOOST SIGN-UPS

**A.P. Goodell Writes 137 Con-  
tracts in 10-Day  
County Drive**

Bad roads and general adverse conditions did not prevent Community Committeeman A.P. Goodell of Malheur County, Oreg., from setting a remarkable production record just before the spring wheat deadline. He turned in 137 applications in 10 days. That's 13.7 applications a day counting no time out for holidays.

In the same 10-day period a total of 504 spring wheat applications were turned in to the Malheur County office by five community committeemen in addition to Mr. Goodell, namely, Chas. A. Faw, Harry Featherston, Ross O. Branch, B. C. Blakesley, and Earl Weaver.

Before these community committeemen went out on their intensive sign-up campaign they attended a one-day school on what the program was all about.

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"It is very interesting to note, in conducting these one-day training schools for community committeemen, how very much interested they are in crop insurance work if given the opportunity to participate in doing this work," the Oregon committee reported. "They really get down to work and try to learn what crop insurance is all about, how it is administered, and the benefits derived from it. They try to figure out questions which will be asked them in the field and try to get the right answers to present to the operators."

### Destruction by Winterkill Causes Two Losses of 582 Bushels

Payment of the first crop insurance indemnity under the 1941 program has been made to two Illinois farmers, Leroy K. Smith, general manager of the Corporation, announces. Both claims were due to winterkill and settlement was made for complete losses.

Ralph Kennedy, Chandler-ville, Ill., received a 349-bushel indemnity under his contract covering 63 acres. His premium amounted to 22 bushels of wheat or the cash equivalent. The other claim was paid Maude Adkins, also of Chandler-ville. Her insured acreage totaled 63 acres and her indemnity amounted to 233 bushels or the cash equivalent. The premium under this contract was 14 bushels.

Other loss claims are being received at this time, Smith said, but in far fewer number than those filed with the Corporation at this time last year. A year ago an excessively dry germination (See INDEMNITIES page 7)

Newsletter is designed to inform field workers of the A. A. A. and F. C. I. C. of developments in the crop insurance program and is not for general distribution.



## ABUNDANT MOISTURE NO GUARANTEE OF GOOD YIELDS, N.D. STUDY SHOWS

Although generous moisture generally increases the chances of good yields, it is no ironclad guarantee of a bountiful crop, a study of agricultural adjustment problems in Sargent County, N. D., shows. The study was made by Lloyd E. Jones of the Bureau of Agricultural Economics.

This is true because sufficient moisture does not offset the dangers of loss from other serious hazards which wheat fields are subjected to each year.

The highest yield the county produced was in 1918 when farmers got an average of 22.5 bushels an acre. During the growing season that year--May, June, and July--only 8.89

inches of rain fell. In 1917, with only 3.59 inches of rain, farmers raised 14 bushels an acre. But in 1916 the county's average wheat yield was only 5 bushels an acre with a record amount of growing-season moisture--22.04 inches.

In 1924 Sargent County growers got 14.6 bushels an acre with 4.52 inches of rain, slightly more than 3 bushels of wheat for each inch of rain, the report says, but in 1934 they got only 2.9 bushels an acre with 4.71 inches.

Over a long-time period, however, there is a parallel trend between yields and annual and seasonal rainfall. This is brought out in the following tabulation:

Period	Average yield per acre (bushels)	Annual rainfall (inches)	Seasonal rainfall (inches)
1911-18	13.0	22.07	10.84
1919-28	10.0	20.87	9.16
1929-38	8.8	17.55	7.37
1911-38	10.4	20.16	9.12

## Winterkill Severe in Nodaway County

Approximately half of the wheat sown in Nodaway County, Mo., last fall has been winterkilled, reports County Chairman E. B. Hamilton after a study of wheat conditions in the county.

Dry weather last fall, he says, prevented the winter wheat from develop-

ing a root system strong enough to withstand the winter's freezing and thawing spells, especially the early November freeze which caught the plants in a growing condition and inflicted severe damage.

A considerable portion of Nodaway County's wheat acreage is insured--about 10,500 acres--under 732 Federal crop insurance contracts. The total insured production for the county is around 113,000 bushels.

## ABANDONMENT WILL BE LESS IN '41 SAYS CROP REPORT

Good Production Seen Four States Face Severe Loss

Thirteen and nine-tenths percent of the seeded winter wheat acreage will be abandoned this year, reports the Department's Crop Reporting Board as of April 1. This preliminary indication compares with actual winter wheat acreage abandonment of 17.5 percent in 1940 and with 18.6 percent for the 10-year average from 1930-39.

In four wheat states, however -- Nebraska, Missouri, Iowa, and New Mexico--prospects are that abandonment will be greater than the 10-year average.

April 1 conditions show that winter wheat production will be 616,128,000 bushels which is 4.6 percent larger than the 1940 crop and 8 percent above the 10-year average, says the report. The yield per acre, however, is expected to average about 13.3 bushels compared with 13.4 bushels in 1940, a decrease per acre in 1941 of one-tenth of 1 percent.

Winter wheat prospects are reported good in most areas except in northern Missouri and portions of adjoining States where considerable winter wheat was killed by cold weather in November. The extent of damage from early fall (See ABANDONMENT page 4)



## INDICATED SPRING WHEAT ACREAGE IS LESS THAN IN 1940

**All State Totals However Are  
Boosted by Strong Winter  
Sign-Up**

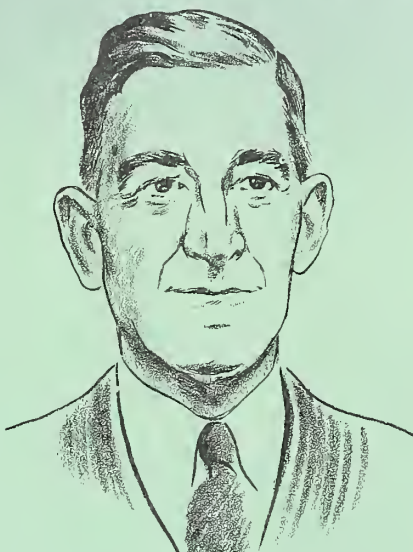
Although the indicated acreage to be seeded to spring wheat this year is 8 percent less than in 1940, the total winter and spring wheat acreage for the coming year is about 2 million acres above the 1940 seeded wheat acreage but very near the average for the last 20 years.

According to the Crop Reporting Board's report for March on prospective spring wheat plantings for 1941, growers during the next few weeks will have planted 2,925,000 acres of Durum and 14,212,000 acres of other spring wheat, a total of 17,137,000 acres. This is 1,410,000 acres less than were planted in 1940. With the exception of 1939, this is the lowest spring wheat acreage since 1924.

The Board's report goes on to state that most of the decrease in prospective spring wheat seedings is in the Pacific Northwest and the Northern Rocky Mountain States. Of the decrease of approximately 1,410,000 acres, over 1,123,000 acres of it occurred in the States of Washington, Oregon, Montana, and Colorado. Moisture conditions at seeding time last fall, it is reported, were favorable to

(See ACREAGE page 5)

## CHICAGO CALLING- -AND THAT MEANS



Samuel E. Purvines

Back at the turn of the century, the Purvines family sent their little boy, Samuel E., to the nearest school, which happened to be Pleasant Plains, Ill... To the other kids he was Red. And the nickname has stuck through the years... For if in Washington, the phrase, "Chicago Calling," means Mr. S. E. Purvines, Chicago Branch Office Manager of the Federal Crop Insurance Corporation, he is still "Red" to his intimates ... But he never forgets he is a farmer who raises corn, wheat, soy beans, hogs, and cattle on 560 acres of good Illinois soil near--yes, you guessed it--the Purvines home town of Pleasant Plains....He's been farming there since 1910, even when he attended Ohio Wesleyan and the University of Illinois ...Sometime during those

(See PURVINES page 5)

## FULL PROTECTION REQUIRES INSECT CONTROL EFFORTS

**Hoppers, Chinch Bugs, Mormon  
Crickets Abound in Many  
Wheat Areas**

With Congressional authorization of \$2,225,000 for control of destructive pests this year, insured wheat growers have no excuse for not protecting their crop against wheat's greatest insect enemies--grasshoppers, chinch bugs, and Mormon crickets.

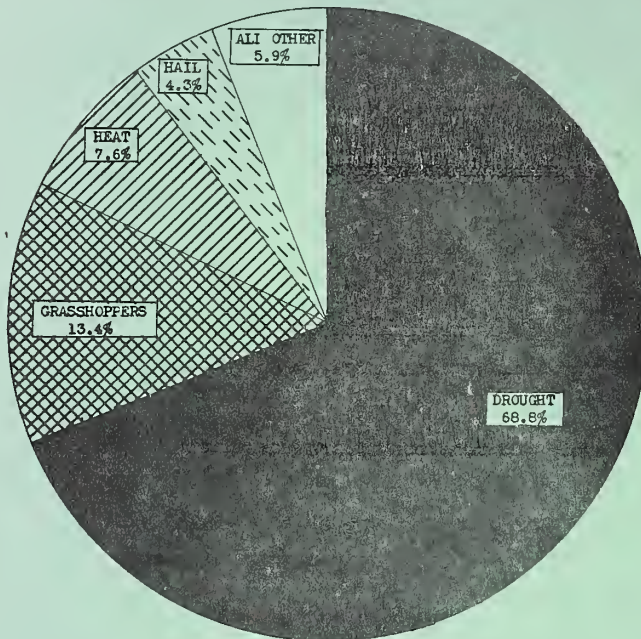
Last year some growers failed to get the full benefit from their insurance contracts because they did not make a reasonable effort to reduce insect damage by spreading bait. To obtain the full protection guaranteed them by their contracts, growers must assume the responsibility of spreading bait. An adequate supply of poison will be available to combat the insect menace to the 1941 wheat crop. County AAA committeemen are urged to impress upon farmers the need for spreading bait in infested areas.

From the reliable surveys of the Bureau of Entomology and Plant Quarantine indications are the heaviest hopper infestation is in the Dakotas and Kansas with severe and threatened infestation facing Montana, Nebraska, and the Panhandles of Texas and Oklahoma. Some danger spots exist in California and Nevada.

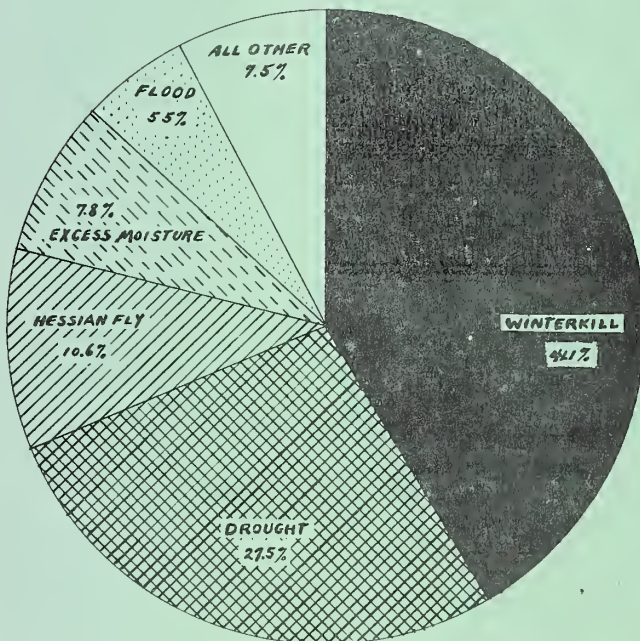
(See INSECTS page 6)



## MOST DAMAGE DONE BY HEAT IN NORTH DAKOTA, WINTERKILL IN OHIO



NORTH DAKOTA



OHIO

Drought accounted for 68.8 percent of the losses on insured acreages in North Dakota in 1939 and winterkill for 41.1 percent of the losses in Ohio. Grasshoppers were wheat crop enemy No. 2 in North Dakota and drought was second in Ohio. (The extent that other hazards damaged wheat in North Dakota and Ohio is shown in these charts.)

## ABANDONMENT

(Cont'd from page 2)

and late spring freezes is reported to be still uncertain in the northern part of the winter wheat belt where on April 1 wheat was still somewhat dormant.

In the middle Atlantic States the tops of the wheat plants were browned by spring cold and high winds. There was some moisture shortage during March in the Northern Great Plains and Mountain States according to growers' reports of conditions on April 1. Wet and cloudy weather conditions are affecting wheat adversely in California, but conditions generally are favorable in the Pacific Northwest.

The Board reports that stem rust has appeared in the Southern Great Plains area earlier than usual. "The present plentiful supply of moisture and the excessive vegetative growth in that area are causing some apprehensions of later damage. However, it is still too early to determine what effect rust may have on the final out-turn of the crop. Red rust is reported in wheat fields in the Imperial Valley of California and in Arizona, where it appeared earlier than usual."

The reported condition of the 1941 winter wheat crop as of April 1, by states, is shown in the table on page 5.

The April 1 United States average daily farm wage rate was 15 cents higher than a year ago.



CONDITION OF 1941 WINTER WHEAT CROP  
as of April 1

State	10-yr. average 1930-39 (Percent)	1940 (Percent)	1941 (Percent)
Ala.	80	79	82
Ariz.	92	91	97
Ark.	80	71	83
Calif.	83	84	75
Colo.	58	54	92
Del.	85	78	86
Ga.	77	72	77
Idaho	85	93	89
Ill.	81	77	76
Ind.	80	73	81
Iowa	83	76	67
Kans.	68	39	77
Ky.	83	72	77
Md.	82	79	81
Mich.	79	82	84
Minn.	79	70	86
Mo.	80	74	55
Mont.	75	82	84
Nebr.	73	52	53
Nev.	95	94	98
N. J.	86	79	81
N. Mex.	68	87	61
N. Y.	81	80	84
N. C.	82	79	82
Ohio	81	75	82
Okla.	71	44	84
Oreg.	82	90	95
Pa.	82	78	83
S. C.	75	74	79
S. Dak.	66	76	69
Tenn.	83	73	82
Tex.	67	60	83
Utah	87	92	91
Va.	82	77	78
Wash.	74	89	96
W. Va.	82	77	77
Wis.	82	83	91
Wyo.	68	65	84
U. S.	75	64	79

## ACREAGE

(Cont'd from page 3)

encouraging a maximum shift from spring to fall seeding.

Speculating on what hazards the 1941 spring wheat crop may encounter, the report states that if the abandonment of spring wheat is about the same as

the average of the years 1930 to 1939, excluding the two abnormal years 1934 and 1936, the acreage of spring wheat for harvest in 1941 would be: durum wheat, 2,583,000 acres; other spring wheat, 11,925,000 acres; or a total of 14,508,000 acres of spring wheat.

## PURVINES

(Cont'd from page 3)

years he cultivated a weakness for thick steaks...

And as a youth he wanted to become a banker but wound up instead a dirt farmer, branch office manager of the Chicago FCIC, and with a record of national farm program work dating back to 1933..... He became secretary and a member of the allotment committee for the Sangamon County Wheat Production Control Association that year..... However, he still worked at his hobby of riding horses (only they must be Tennessee walking horses)..... Continuing his Triple A work, Purvines in 1935 found himself a member of the State Grain Board in Illinois..... In April 1936, he became a member of the Illinois State AAA Committee where he served until he was named branch office manager in April 1939..... Don't try to get him to read fiction because he prefers history..... And he will leave accomplishments in music to others ---- although like everyone else he isn't above joining a barber shop quartette occasionally..... The thrilling moments in the Purvines life are lost in retrospect. And he won't talk about that most embarrassing moment.... One thing he has not accomplished. He has never been able to overcome his antipathy for serious shows.. If he finds himself looking at one he will walk out. "They can have my money, but not my sobs," says Purvines. Baseball and golf are his favorite sports. He divides his loyalty between the Cubs and Whitesox..... His golf score is his own business.

## Premiums in '18 Did Not Pay Flu Losses

Premium payments to life insurance companies fell 5 million dollars short of meeting total expenditures in 1918, the year of the flu epidemic, according to findings of the Temporary National Economic Committee. Premium receipts for the year were 994 million dollars while expenditures were 999 million.

The study also shows that up to 1932 the principal companies broke about even in the sale of annuity insurance; but in 1932, 17 of the largest companies experienced losses. Since that time losses totaling over 75 million dollars have been incurred. One company alone shows losses of nearly 37 million dollars.

Although total income from all sources has always been sufficient to meet expenditures of life insurance companies, there have been 4 years in addition to 1918 when income from premiums alone failed to pay all costs. In 1880 the deficit was 2 million dollars; in 1932, 494 million; in 1933, 595 million; and in 1934, 141 million.

Another interesting fact shown by the study is that the total assets of life insurance companies in 1935 were equivalent to 70 percent of the value represented by the total of all lands and buildings on farms in the entire United States.

## INSECTS

(Cont'd from page 3)

Chinch bugs, according to the survey made last fall, may, if not checked by natural conditions, cause havoc in northeastern Oklahoma, western Iowa, and eastern Kansas and Nebraska. A belt of moderate to heavy infestation begins at the Indiana-Ohio line and extends across Illinois and up into Iowa. From light to moderate chinch bug infestation exists in the northern three-fourths of Missouri.

Although areas infested by Mormon crickets are not large, except in Nevada, Oregon, and Idaho, several light to heavy infestations occur in Montana, South Dakota, Utah, Washington, and Wyoming.

A month ago Missouri reported rather heavy Hessian fly infestation in scattered fields of wheat, particularly throughout the Missouri River Valley as well as in wheatfields in the western and northwestern part of the State where fall rains permitted prompt germination of wheat. Cutworms are abundant in localized areas of Colo., Kans., Neb., N. Mex., and Utah. Virginia reported at the same time that there is a general infestation of aphids on wheat in that State.

In addition to the fact it is more profitable for insured growers to harvest an average crop than to collect for a complete loss under a 75-percent coverage insurance contract, growers are warned

## LASALLE COUNTY HAD 51 CONTRACTS ----- NO LOSSES

It may be very ordinary, but we had not heard until a few days ago of any county having as many as 51 contracts in 1940 that did not submit a single indemnity claim. That is the record held by LaSalle County, Ill. Insured production in the county was more than 7,500 bushels.

LaSalle County's insured growers in 1940 paid 989 bushels to insure about 542 acres, which seems to indicate their losses have been rather heavy in the past despite the failure of crop hazards to attack last year. One good year, however, has not created false optimism among this county's growers because the number of contracts issued on the 1941 crop increased by 43 percent over 1940.

premium rates and guaranteed yields are based on past loss and yield records for individual farms. By preventing insect losses, growers increase their chances of a lower premium rate and a higher guaranteed yield in future years.

The insect control program is conducted by the Bureau of Entomology and Plant Quarantine in cooperation with state extension services and State Departments of Agriculture. Information on the program may be obtained locally from county agents, or from state pest-control officials.



## Acreage Released on 65 Pike County Farms

Adjustment work is going along briskly in Pike County, Ill., according to A. L. Batley of the county AAA committee. Up to the last week of March the insured wheat acreage on 65 farms in the county had been released for other crop use, he said.

From 30 to 40 percent of the wheat crop in Pike County is a total loss, Mr. Batley estimates, attributing most of the damage to the sharp Armistice Day freeze.

However, effects of these total losses will not hurt growers who suffer crop failure or their communities as much as in former years. Over 1,000 all-risk crop insurance contracts were issued on Pike County's 1941 wheat crop, insuring production of over 214,000 bushels on about 18,500 acres.

## INDEMNITIES

(Cont'd from page 1)

period resulted in one of the heaviest abandonments in years, which led to payment of more than 112,000 indemnities amounting to 22,887,713 bushels of wheat.

This year the outlook is much brighter due to favorable growing conditions in most areas indicating not only a successful crop year for most winter wheat farmers but also for the Corporation.

## CROP INSURANCE AS DEFENSE AID BOLSTERS MORALE

Crop insurance today can make a big contribution to defense efforts of the Nation by bolstering morale of the country's wheat growers.

Assured wheat income by protection from unforeseen crop disasters can and does strengthen the will of the farmer and helps him stay on his job--the job of producing the food grain for the Nation.

Maintaining a strong morale is one of the big defense jobs. President Roosevelt took cognizance of this recently in a speech in which he said:

"Every community in the country has an obligation to scrutinize its services, its facilities for meeting the spiritual, recreational and welfare needs of its own people.

"Together, the citizen and community have an obligation to maintain the wholesome, constructive activities and services which we think of as typical American."

Guaranteed wheat income through crop insurance in years of crop failure will help farmers meet their own welfare needs and the needs of the community. It will help them remain self-supporting in times of crop failure and it will help keep them on the land which is the source of supply for bread grains.

## Get All Areas in Risk Plan, Smith Suggests

Good distribution of crop insurance contracts to assure representative participation is desirable in every State where insurance is offered, Leroy K. Smith, general manager of the Corporation, says.

A study of the 1940 program results shows a great diversity of participation in various States. This indicates there is a broad field for increasing the volume of insurance contracts with proper emphasis in low participating areas.

Last year some counties insured between 80 percent and 90 percent of their acreage. Others wrote insurance on only a fraction of that acreage although the Corporation issued contracts covering about 20 percent of the Nation's entire wheat acreage.

The world today has three times as much wheat as it has markets for . . . United States wheat farmers are getting a higher return for their crop than farmers in any other country of the world. --From a broadcast by Western Region Director N. E. Dodd.

In 3 years' time, war blockades and economic barriers have reduced United States wheat exports from more than 100 million bushels annually to 30 or 35 million.



# Something for a Rainy Day

Dear Mr. Blank:

Putting something away as protection against crop failure should be just as much a part of every wheat grower's operations as planting his wheat each year. Farmers everywhere would be only too glad to put an extra bushel of seed into the ground if that would GUARANTEE them against disaster that might result from drought, hail, flood, fire, insects, and all other such unavoidable hazards.

For the country as a whole, crop failure costs the average wheat grower just about one bushel an acre each year. Actual farm records are used by the Federal Crop Insurance Corporation to determine how much it must receive as a premium from each individual wheat grower to protect his wheat crop against ALL natural hazards.

Thus, by putting about \_\_\_\_\_ bushel(s) of wheat into a reserve for each acre you plant each year you can be sure of wheat to sell EVERY year. And don't forget that it is during crop-failure years that you really do need something to make up for the wheat income you planned to get from your planted acreage.

All-risk crop insurance is available to you now. Ask your local AAA committeeman for further details.

Very truly yours,

\_\_\_\_\_, Chairman  
County AAA Committee

Note: Stencils with the illustration--not the letter--impressed on them are available for use by county committeemen in mailing circular letters to local wheat growers. They may be obtained upon request through the State AAA offices.